

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**SB 2717 – HB 2837**

May 11, 2010

**SUMMARY OF AMENDMENTS (016424, 016514, 018306, 018406, 018407):**

Adds language to the original bill. Amendment 016424 defines the requirements for conveyance of mineral estates in deeds. Amendment 016514 states that if any provision of the bill as amended are found to be invalid, it shall not affect other provisions of the bill as amended. Amendment 018306 defines “mineral” for Henry, Benton, and Stewart Counties. Adds clay to the list of minerals that are exempt from this definition. Amendment 018406 defines “mineral” for Blount, Sevier, and Monroe Counties. Amendment 018407 exempts clay from the definition of mineral throughout the state, except in Shelby County and state-owned land.

**FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Expenditures – Not Significant

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:**

**Decrease State Revenue – \$12,600/Surface Mining Reclamation Fund**

**Increase State Expenditures – Not Significant**

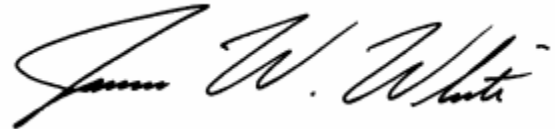
**Assumptions applied to amendments:**

- According to the Department of Environment and Conservation, exempting clay from the definition of mineral will result in a decrease in recurring state revenue to the Surface Mining Reclamation Fund. Clay mining permit fee revenue is the main revenue source for the Surface Mining Reclamation Fund.
- A decrease to recurring state revenue of approximately \$12,000 (48 sites x \$250 permit fee).
- A decrease to recurring state revenue of approximately \$600 resulting from a decrease in acreage fees and modification fees.

- The total decrease to recurring state revenue to the Surface Mining Reclamation Fund will be approximately \$12,600.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/jaw